2002 Legislative Salary Commission

Questions & Answers

The following questions and answers provide an overview of what the 2002 Legislative Salary Commission is doing and why.

1. What is the 2002 Legislative Salary Commission?

The periodic appointment of public individuals to review and make recommendations on legislative salaries is mandated by our State Constitution. The 2002 Commission is the third such commission established pursuant to Article III, Section 9 of the Hawai'i State Constitution, which provides:

"There shall be a commission on legislative salary, which shall be appointed by the governor on or before November 30, 1978, and every eight years thereafter. Not later than the fortieth legislative day of the 1979 regular legislative session and every eight years thereafter, the commission shall submit to the legislature and the governor recommendations for a salary for members of the legislature, and then dissolve. The recommended salary submitted shall become effective as provided in the recommendation unless the legislature disapproves the recommendation by adoption of a concurrent resolution prior to adjournment sine die of the legislative session in which the recommendation is submitted or the governor disapproves the plan by a message of disapproval transmitted to the legislature prior to such adjournment. Any change in salary which becomes effective shall not apply to the legislature to which the recommendation for the change in salary was submitted."

The 2002 Legislative Salary Commission is required to submit recommendations to adjust the salaries of the Hawai'i State Legislature to both the Legislature and the Governor. Those recommendations take effect unless the Legislature or the Governor disapproves by the end of the 2003 legislative session. Upon submission of its recommendations, the Commission is dissolved. The next Commission will be appointed by the Governor on or before November 30, 2010.

Members of the 2002 Commission are: Warren Daspit (Chair), Sharon Narimatsu, Marie Okamura (Vice-chair), Tom Sugita, and Howard Tagomori.

2. What is the 2002 Commission's philosophy?

In carrying out its task to make recommendations regarding legislative salary adjustments for the eight years between 2005 and 2012, the Commission reviewed and analyzed Hawai'i's legislative salaries dating back to 1978. Even in these difficult fiscal times, it is the mission of the Legislative Salary Commission to fairly review current legislative salaries and to determine what should be considered fair compensation for carrying out legislative duties. In this regard, the Commission has discussed and adopted the following to guide its mission:

• Hawai'i State legislators are deserving of some form of an increase in salary in 2005, as opposed to maintaining the status quo or imposing a decrease in pay.

- Though the Hawai'i Legislature is officially considered part-time, the amount of time and energy actually required to sufficiently address constituency demands throughout the year carries beyond the regular definition of part-time.
- Any salary increase should occur every two-years to coincide with each new legislature and to reflect traditional budget cycles.
- Non-salary benefits will be considered in its deliberations, although the Commission cannot make recommendations affecting these benefits.
- The Commission recognizes and wants to maintain a minimum \$5,000 pay differential for the President of the Senate and the Speaker of the House.

3. When do the Commission's recommendations become effective?

• The salary recommendations offered by the Commission affect the Legislators between 2005 and 2012. The current Legislature is unaffected by the 2002 Commission's recommendations.

4. What are legislators current salaries?

• State legislators in Hawai'i currently earn \$32,000 per year, with the President of the Senate and the Speaker of the House receiving \$37,000 per year.

5. What are legislators' current non-salary benefits?

- Legislators earn no vacation or sick leave and are not eligible for overtime. They receive the same holidays as other State employees.
- Medical and other insurance is determined on the same basis as other State employees, as are personal savings options such as deferred compensation and savings bond deductions.
- Contributory retirement for legislators is consistent with that of State judges -3.5%.
- While on official business, all legislators are eligible to receive \$80 per diem for neighbor island travel (this includes neighbor island legislators attending session on O'ahu) and \$130 per diem for mainland travel. This is consistent with other State employees. During the interim, however, all legislators are eligible to receive \$10 per diem for official business conducted on their **home island**.

- All legislators are eligible for downtown parking stalls during session at the standard State rate. Free parking at all State airports is offered.
- All legislators receive a \$5,000 expense account, though there are stringent regulations and limitations on how that money may be spent.

6. Why does the Commission feel a raise is necessary?

- Hawai'i's legislators have not received a salary adjustment for 10 years and have earned the same salary since 1993. In 1995, the Legislature did not approve any salary adjustments recommended by the 1994 Legislative Salary Commission.
- The time frame between the operation of each commission, their recommendations, and any subsequent salary adjustments can be as much as twelve years. If the current Commission should recommend salary adjustments, the soonest these could take effect would be in 2005, and illustrates the potential twelve year lag between 1993 and 2005.
- Should no salary adjustments be recommended or approved under this Commission, the next opportunity for salary adjustments will not be until 2012 or a time lag of 19 years.

7. How can the public receive information or provide comments?

- Handouts will be available at each of the public informational meetings. Anyone wishing to have information mailed to them can call either Kerry Yoneshige at 586-0696 or Scott Derrickson at 587-2805.
- The Commission has a web site where information about the Commission and downloadable files covering common questions and the draft methodologies and salary options are available. The address of the site is:

www.hawaii.gov/dbedt/op/Salary_Commission

- The general public can provide comments orally at public informational meetings scheduled on March 13 (Maui), March 14 (Hilo, Lihu'e), or March 17 (O'ahu) or at any of the regular scheduled public meetings of the Commission.
- Written comments will be received up until March 21, 2003 and can be sent to P.O. Box 119, Attn: Kerry Yoneshige, Honolulu, Hawai'i 96810-0119. Another option is providing comments via e-mail to kerry.k.yoneshige@hawaii.gov or sderrick@dbedt.hawaii.gov